



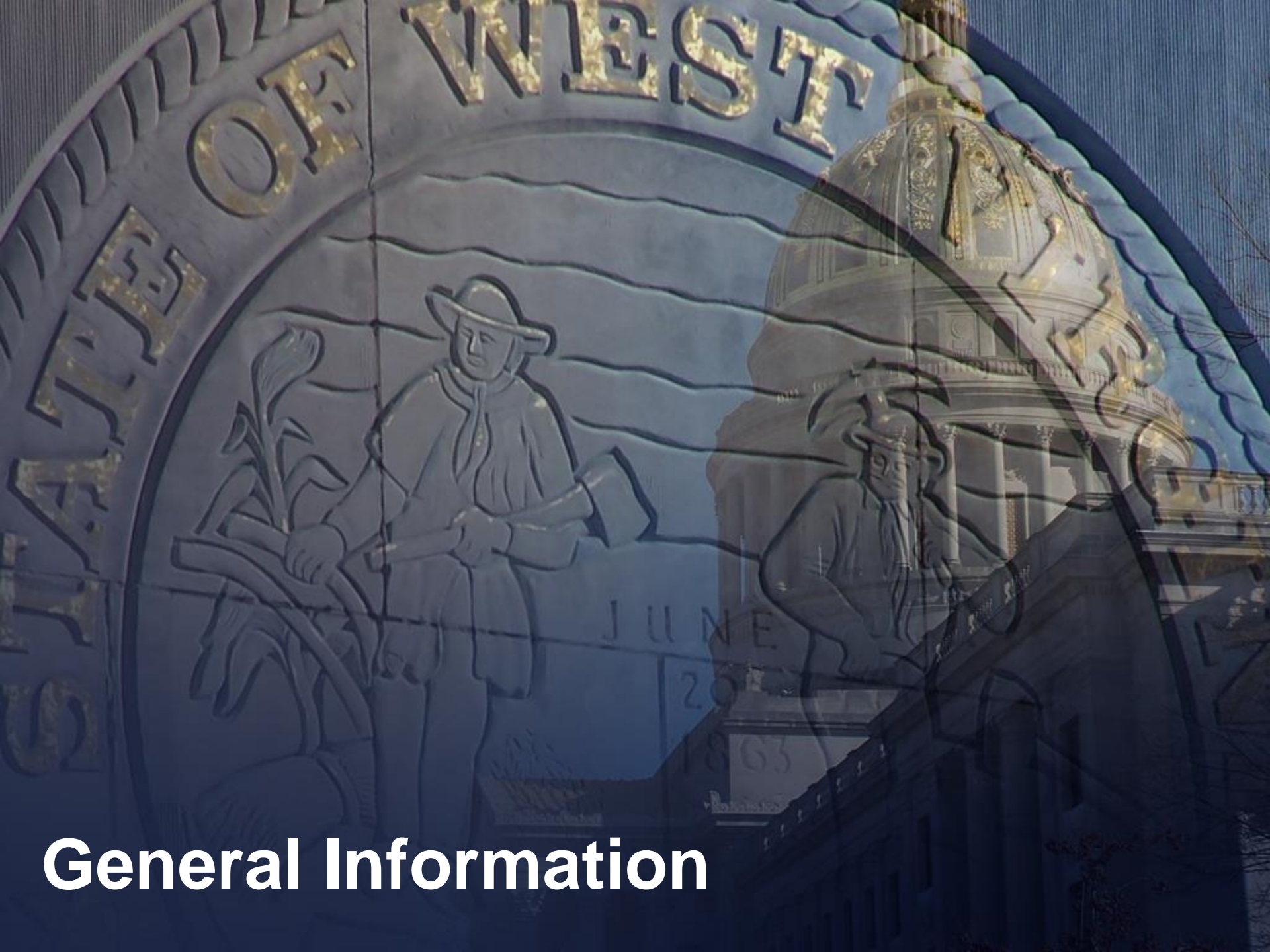
State of West Virginia Purchasing Card Program

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State Auditor's Office P-Card Program

Agenda

- ✓ **General Information**
- ✓ **The Coordinator**
- ✓ **The Cardholder**
- ✓ **P-Card Travel**
- ✓ **Questions**



General Information

State Auditor's Office P-Card Program

History

- The West Virginia State Purchasing Card Program was created and implemented in 1996.
- West Virginia Code, §12-3-10a-e
 - Purchasing Card Advisory Board
 - 14 members
- Legislative Rule, 155 CSR 7

State Auditor's Office P-Card Program

Statistics

- Approximately 660,000 transactions were executed on the p-card during FY 2014.
- Average of \$617.12 per transaction.
- \$350-400 million in dollar volume.

State Auditor's Office P-Card Program

- **The P-Card is a preferred method of payment for certain designated transactions or dollar amounts.**
- **The P-Card provides the most efficient and effective payment method for certain expenditures incurred by state agencies.**
- **The use of the P-Card effectively decreases accounts payable expenses, cuts administrative program costs and offers increased control and monitoring of payments.**

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- **The P-Card Policies and Procedures Manual establishes minimum standards for the use of the State of West Virginia P-Card.**
- **Each Spending Unit is required to develop and document appropriate internal control procedures to ensure proper program oversight, compliance with P-Card Policies and Procedures and that P-Card usage is consistent with this manual.**

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- **It is the Spending Unit's coordinators' and cardholders' responsibility to be knowledgeable of and to follow all P-Card policies and procedures, as well as all applicable purchasing laws and guidelines.**
- **Other members of agency staff with reviewing and approving responsibilities (agency heads, chief financial officers, department heads, directors, managers, supervisors, etc.) should also be knowledgeable of the aforementioned directives.**

State Auditor's Office P-Card Program

- **The CFO is responsible for the administration, monitoring and oversight of a Spending Unit's P-Card program.**
- **Transactions are permitted on the P-Card as long as your agency / institution can provide documentation of its authority for purchases, if requested, and all applicable laws, rules and regulations, purchasing policies, and other governing instruments are adhered to.**

State Auditor's Office P-Card Program

Types of Purchasing Cards

- State P-Card
- Travel Card
- Ghost Account
- Fleet
- Emergency Card



State Auditor's Office P-Card Program

- **Activating a P-Card**
- **P-Card Security**
- **Any returned goods should be credited to the P-Card.**
- **Only upon prior approval by the State Auditor's Office P-Card Division, payments may be made through 3rd Party Payment Processors such as PayPal, Amazon Marketplace, etc.**

State Auditor's Office P-Card Program

- **Gift cards need prior approval from the State Auditor's Office P-Card Division.**
- **The State of West Virginia is tax-exempt when purchasing from in-state vendors.**
- **Cardholders should remind vendors of tax-exempt status before initiating a transaction.**
- **The cardholder is responsible for ensuring accuracy and must address any charges regarding sales tax and/or shipping and handling immediately with the vendor.**

State Auditor's Office P-Card Program

- A surcharge for the convenience of paying with the P-Card may be paid with the P-Card.
- Vendors may not charge a percentage of the purchase as a convenience fee. Such fees must be a flat rate charge.
- *Intentional* or unintentional misuse of a P-Card must be reported to the State Auditor's Office P-Card Division.

State Auditor's Office P-Card Program

Program Evaluations

- **Program evaluations and other examinations of the agency's P-Card program, as well as monitoring of P-Card transactions, will be conducted by the State Auditor's Office P-Card Division to determine compliance with all P-Card Policies and Procedures.**
- **After the program evaluation / examination is completed, the State Auditor's Office P-Card Division will present a report to the Spending Unit's agency head, chief financial officer, and cabinet secretary (if applicable).**



The Coordinator

Agency Coordinator

- **The agency head shall serve as, or designate an individual to serve as, the Chief Financial Officer who shall be responsible for establishing internal controls over the Spending Unit's financial operations and be accountable for executive oversight and maintenance of appropriate accounting and internal control procedures for the agency's P-Card program.**
- **The Chief Financial Officer or designee is charged with appointing P-Card Coordinators in a sufficient number to allow thorough and timely performance of their responsibilities.**

Agency Coordinator

- **Each P-Card Coordinator shall hold a position of knowledge and experience of the responsibilities delegated to them.**
- **No cardholder shall be their own coordinator without a written waiver from the State Auditor's Office Purchasing Card Division.**

Agency Coordinator

Coordinator responsibilities include, but are not limited to:

- **Verify potential cardholder's eligibility to obtain a P-Card**
- **Ensure proper completion of appropriate forms**
- **Determine all limits associated with the P-Card**
- **Ensure cardholder agreements are signed electronically**

Agency Coordinator

- Reconciliation
- Activate P-Cards - **PIN**
- Cancel and destroy P-Cards
- Identify possible ethics law violations related to inappropriate activity by cardholders and vendors

Agency Coordinator

- **Sufficient internal controls must be in place at each Spending Unit to ensure compliance with applicable laws, rules and regulations, P-Card Policies and Procedures, and other (internal and external) governing instruments.**
- **Each Spending Unit is required to develop and document internal control and accounting procedures that ensure P-Card usage is consistent with this manual and to develop guidelines for distribution to cardholders and other members of staff with reviewing and approving responsibilities.**
- **These procedures must be submitted in writing to the State Auditor's Office P-Card Division.**

Agency Coordinator

- Segregation of duties should be established within the agency.
- Coordinators should not handle all aspects of the P-Card process.
- Proper Oversight - CFO must ensure proper oversight of P-Card use within the Spending Unit.
- Physical Controls shall be present to ensure security of P-Cards and records.

Agency Coordinator

- **It is the Head Spending Unit Coordinator's responsibility to ensure that the master billing account is paid in full every month.**
- **The payment process begins at the transaction level. Every transaction must be fully reconciled, marked "Reviewed" and "Pay" prior to the monthly Scheduled Payment Date.**
- **Any PRCC (Payment Request) document in rejected status will not be submitted for payment, therefore, rendering the master billing account irreconcilable.**

Agency Coordinator

- **Within thirty (30) days of assuming the duties, a Coordinator must complete all training, education, and certification designed and approved by the State Auditor's Office P-Card Division.**
- **Training includes P-Card Policies and Procedures, purchasing policies as related to P-Card, ethics training, and/or emergency card or travel guidelines as appropriate.**

Agency Coordinator

- **P-Cards are issued at the request of the agency coordinator.**
- **Coordinator verifies the completion of all requirements prior to requesting a P-Card on behalf of the cardholder.**
- **Coordinators who have the role within wvOASIS to add a cardholder to the system must use a PCC document ensuring that all required fields are completed and submitted for approval to the State Auditor's Office P-Card Division.**



The Cardholder

Cardholder

Training Requirements

- P-Card Policies and Procedures
- Ethics training - *The West Virginia Ethics Act and P-Card Usage*
- Cardholder Agreement Form
- 2 years

Cardholder

Reconciliation

- All reconciliation must be completed within wvOASIS.
- Cardholder or proxy is responsible for reconciling their individual statement each month by the scheduled payment date.
- Must follow the agency's internal control procedures.
- The reconciliation process should include a knowledgeable and independent review of documentation, receipts, and transaction reports.
- The authorization of payment is executed at the transaction level.

Cardholder

Supporting Documentation

- Itemized receipts, Log sheets, packing slips, etc.
- Any other documentation required by applicable laws, rules and regulations, P-Card policies and procedures, and other governing instruments.
- All supporting documentation must be attached to every transaction within wvOASIS.
- Agencies should adopt a “zero tolerance” for missing or inadequate documentation.

Cardholder

P-Card Delegation is...

- allowing an individual other than the cardholder to have physical possession of the P-Card for payments and purchases
- having access to receipts or invoices that display the P-Card number and expiration date
- having access to the P-Card number and expiration date to make payments via telephone, internet, or in person
- **PROHIBITED!**

Cardholder

Maintenance

- All maintenance requests must be submitted utilizing a PCC document within wvOASIS.
- P-Cards must be cancelled immediately upon termination of or separation from employment.
- Immediately report lost or stolen P-Cards to the financial institution and the Spending Unit P-Card coordinator within 24 hours to limit cardholder liability.

Cardholder

Fraud, Misuse & Abuse

- **West Virginia Code, §12-3-10b**
- **Failure to comply with P-Card Policies and Procedures, rules, and law associated with the State P-Card Program may result in revocation or limitation of P-Card privileges, a period of probation, or mandatory P-Card training in addition to any other discipline deemed necessary or appropriate by the Spending Unit.**
- **Instances of unlawful use, possible fraud, misappropriation, or mismanagement with the P-Card shall be reported immediately to the CFO of the Spending Unit who shall report all aforementioned instances to the Deputy State Auditor/Executive Director of the State Auditor's Office P-Card Division within 24 hours of his or her discovery.**



P-Card Travel

P-Card for Travel

- **All state agencies may utilize the p-card for travel.**
- **Must have on file with the State Auditor's Office
P-Card Division:**
 - ✓ **Internal controls**
 - ✓ **Formal request for P-Card usage for travel**
- **Contact: pcard_travel@wvsao.gov**



Questions